

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Essex Regional Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2019
DATE: December 12, 2017

Required Fiscal Year 2019 Appropriation: **\$34,621,309**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2019 which commences July 1, 2018.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2019 appropriation to be paid by each of the governmental units within your system.

The amount above assumes appropriations will be made in equal installments on July 1 and January 1. Some units make the appropriation in full on July 1. The allocation shows the figures for each unit on both bases. In addition to the amount shown in the current funding schedule, the appropriation includes the additional special appropriation for the Manchester-Essex Regional School District and the Rowley Housing Authority based upon a recent CRAB decision. We have included these additional amounts in the ERI column on page 2 and Additional Appropriation for CRAB column on pages 3 and 4.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446 Extension 921.

JEC/jrl
Attachments

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Essex Regional Retirement Board

Projected Appropriations

Fiscal Year 2019 - July 1, 2018 to June 30, 2019

Aggregate amount of appropriation: **\$34,621,309**

Fiscal Year	Estimated Cost of Benefits	Funding Schedule (Excluding ERI)	ERI	Total Appropriation	Pension Fund Allocation	Pension Reserve Fund Allocation	Transfer From PRF to PF
FY 2019	\$35,980,776	\$34,040,036	\$581,273	\$34,621,309	\$34,621,309	\$0	\$1,359,467
FY 2020	\$37,745,341	\$36,938,491	\$245,634	\$37,184,125	\$37,184,125	\$0	\$561,216
FY 2021	\$39,597,877	\$39,883,081	\$53,764	\$39,936,845	\$39,597,877	\$338,968	\$0
FY 2022	\$41,542,770	\$42,838,953	\$54,589	\$42,893,542	\$41,542,770	\$1,350,772	\$0
FY 2023	\$43,584,624	\$45,563,867	\$55,453	\$45,619,320	\$43,584,624	\$2,034,696	\$0

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.

For illustration, we have shown the amount to be transferred from the Pension Reserve Fund to the Pension Fund to meet the estimated Cost of Benefits for each year. If there are sufficient assets in the Pension Fund to meet the Cost of Benefits, this transfer is optional.

Essex Regional Retirement System FY19 Appropriation by Governmental Unit

Aggregate amount for appropriation for the Pension Fund: \$34,040,036
 Aggregate amount for appropriation for the Pension Reserve Fund: \$0
 Aggregate additional appropriation for the E.R.I.: \$581,273

<u>UNIT</u>	<u>PEN.FND. APP %</u>	<u>PENSION FUND APPROP.</u>	<u>PENSION RES. FUND APPROP.</u>	<u>ADD'L. APP. FOR E.R.I.</u>	<u>ADD'L. APP. FOR CRAB</u>	<u>TOTAL APPROP.</u>	<u>APPROP PAID JULY 1</u>
Agricultural School	0.00%	0	0			0	0
Retirement Board	0.38%	129,352	0			129,352	126,893
Town of Boxford	3.80%	1,293,521	0			1,293,521	1,268,935
Town of Essex	1.72%	585,489	0			585,489	574,361
Town of Georgetown	4.87%	1,657,750	0	79,230		1,736,980	1,703,966
Town of Groveland	2.21%	752,285	0	8,096		760,381	745,929
Town of Hamilton	2.76%	939,505	0			939,505	921,648
Town of Ipswich	10.25%	3,489,104	0			3,489,104	3,422,787
Town of Lynnfield	8.15%	2,774,263	0	145,297		2,919,560	2,864,069
Town of Manchester	3.50%	1,191,401	0			1,191,401	1,168,756
Town of Merrimac	2.36%	803,345	0	45,865		849,210	833,069
Town of Middleton	5.22%	1,776,890	0			1,776,890	1,743,117
Town of Nahant	2.50%	851,001	0			851,001	834,826
Town of Newbury	2.08%	708,033	0			708,033	694,576
Town of North Andover	15.54%	5,289,822	0			5,289,822	5,189,280
Town of Rockport	5.25%	1,787,102	0	7,966		1,795,068	1,760,950
Town of Rowley	2.79%	949,717	0			949,717	931,666
Town of Salisbury	4.15%	1,412,661	0	102,302		1,514,963	1,486,168
Town of Topsfield	3.35%	1,140,341	0			1,140,341	1,118,667
Town of Wenham	2.14%	728,457	0			728,457	714,611
Town of West Newbury	1.97%	670,589	0	29,371		699,960	686,656
East,Essex Vet.Dist.	0.09%	30,636	0			30,636	30,054
No.And.-Box.Vet.Dist.	0.00%	0	0			0	0
North Essex Vet.Dist.	0.00%	0	0			0	0
Byfield Water Dist.	0.07%	23,828	0			23,828	23,375
Lynnfld.Ctr.Wat.Dist.	0.28%	95,312	0			95,312	93,500
Lynnfield Water Dist.	0.21%	71,484	0			71,484	70,125
NE Mass Mosq.Cont.	0.41%	139,564	0			139,564	136,911
Ham.-Wen.Reg.School	2.72%	925,889	0			925,889	908,291
Man-Essex Reg. School	1.50%	510,600	0		19,124	529,724	519,656
Masconomet Reg.School	1.90%	646,761	0			646,761	634,468
Pentucket Reg.School	3.05%	1,038,221	0	37,623		1,075,844	1,055,396
Triton Reg.School	3.06%	1,041,625	0	30,664		1,072,289	1,051,908
Essex Housing Authority	0.04%	13,616	0	4,078		17,694	17,358
Georgetown Hous.Auth.	0.17%	57,868	0			57,868	56,768
Groveland Hous. Auth.	0.07%	23,828	0			23,828	23,375
Hamilton Hous.Auth.	0.05%	17,020	0			17,020	16,697
Ipswich Housing Auth.	0.36%	122,544	0	27,004		149,548	146,706
Lynnfield Hous.Auth.	0.07%	23,828	0			23,828	23,375
Manchester Hous. Auth.	0.08%	27,232	0			27,232	26,714
Merrimac Hous.Auth.	0.02%	6,808	0			6,808	6,679
Middletown Hous.Auth.	0.05%	17,020	0			17,020	16,697
Nahant Housing Auth.	0.03%	10,212	0	8,717		18,929	18,569
No.Andover Hous.Auth.	0.42%	142,968	0	13,552		156,520	153,545

In accordance with your funding schedule, appropriations are due July 1 and January 1. Whenever payments are made at a date one month or more before the scheduled date or whenever payments are made one month or more after the scheduled date, PERAC's actuary should be contacted so that a revised amount can be calculated. Payments will be adjusted with interest at the rate assumed in the actuarial valuation used as the basis for your schedule. In no case may payments be made at a date beyond this fiscal year.

Essex Regional Retirement System FY19 Appropriation by Governmental Unit

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<u>UNIT</u>	<u>PEN.FND.</u> <u>APP %</u>	<u>PENSION FUND</u> <u>APPROP.</u>	<u>PENSION RES.</u> <u>FUND APPROP.</u>	<u>ADD'L. APP.</u> <u>FOR E.R.I.</u>	<u>ADD'L. APP.</u> <u>FOR CRAB</u>	<u>TOTAL</u> <u>APPROP.</u>	<u>APPROP</u> <u>PAID JULY 1</u>
Rockport Hous.Auth.	0.11%	37,444	0			37,444	36,732
Rowley Hous. Auth.	0.04%	13,616	0		16,279	29,895	29,327
Salisbury Hous. Auth.	0.08%	27,232	0			27,232	26,714
Topsfield Hous.Auth.	0.05%	17,020	0			17,020	16,697
Wenham Housing Auth.	0.08%	27,232	0	6,105		33,337	32,703
W. Newbury Hous. Auth.	0.00%	0	0			0	0
TOTAL	100.00%	\$34,040,036	\$0	\$545,870	\$35,403	\$34,621,309	\$33,963,270

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